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December 19, 2019

**VIA E-FILING**

Magistrate Judge Joel Schneider  
United States District Court  
District of New Jersey  
Mitchell H. Cohen Building & US Courthouse  
4<sup>th</sup> & Cooper Streets, Courtroom 3C  
Camden, NJ 08101

**Re: Richard McBride, et al. v. Kline Construction Co., Inc.**  
**Case No.: 1:19-cv-14275-NLH-JS**

Dear Judge Schneider:

We represent the individual defendants Edward Kline and Katherine Kline-Penate. On December 9 and 10, we filed pleadings in support of the request for a stay of the proceedings due to the chapter 11 bankruptcy proceedings of Kline Construction Co., Inc. At that time, Kline had retained an investment broker and was proceeding with a sale process. Today, I was advised by counsel for Kline Construction Co., Inc. that the company was unable to reach an agreement with its secured lenders for the continued use of cash collateral necessary to continue operations and finalize the sale process. As a result, the company made an oral motion to the bankruptcy court to convert the case to a chapter 7. It is my understanding from the docket entry that the case will be converted effective December 23, 2019. I bring this to the attention of the court and Plaintiff's counsel since certain representations in the pleadings and certifications regarding the sale process are no longer applicable.

Respectfully submitted,

/s/ Carol Ann Slocum

Carol Ann Slocum

CAS/lac

cc: (all by e-mail)

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